



Dornbusch Partners  
Pty Ltd



Dear Client,

Thank you for taking the time to read our Easter 2014 managing partner letter.

Share markets have been trending basically sideways since my last letter to you (December 2013). The market has put on a miserly 92 points or 1.7% for the last 4 months. In part, this sideways moment can be attributed to concerns off shore, in either Ukraine & the geo-political tension or China's economy slowing down to "only" 7% growth per annum (2.5 times the speed the Australian economy is growing!). Domestically our economy, whilst patchy, is generally performing well with our economy forecast to grow by around 2.5% per annum this year.

Locally, the Toowoomba economy is humming along and the recent announcement of the Range Bypass is yet another feather in our economic cap. Whilst some of our clients had good rainfall last week, it will take a lot more than that to help our agricultural focussed clients overcome some of the worst drought conditions experienced in living memory & they are constantly in our thoughts.

Generally speaking, we continue to steer our clients towards more cyclically focussed shares (as discussed in our last note), whilst being mindful of the attractive yields that Telstra & the banks offer. We will be watching with interest the profit results for ANZ, NAB and Westpac which will all be unveiled in mid to late May. If the CBA result is anything to go by (profit of \$8.5 billion after tax!), banks should continue to offer attractive dividends in the short to medium term. As always, discuss with your adviser as to which course of action you should personally take.

As my clients know I have a personal interest in emerging leader companies (companies which aren't blue chip but have some attribute/feature which could make them blue chip into the future) and so I have been subscribing to Under the Radar Report for the past two years and I have to say that it is proving to be indispensable for finding investment opportunities in the ASX small cap market. Under the Radar provides a weekly research report on companies that have big growth opportunities and most importantly, because they're small, or less than \$300 million in market cap, you won't find them covered anywhere else (until they get big). Its website is also a great resource to research small caps. I have met with its editor, Richard Hemming, who is based in Sydney, and through Under the Radar, I am pleased to offer our clients a three-month complimentary subscription (valued at \$120). Please email [radar@undertheradarreport.com.au](mailto:radar@undertheradarreport.com.au) or call 02 9331 1999.

Dornbusch Partners Wealth Protection will soon have a new name - "Live Strong Life Insurance". The business will continue to be owned and operated by Dornbusch Partners but the name change reflects how we feel about insurance – if you look after yourself and your loved ones, then there should be some benefits for you. To that end, aside from the 11 other insurers we work with, we have teamed up with insurer AIA with their Vitality program which offers discounts to businesses such as Myer and Qantas simply by looking after your health. Please contact Mark or Margaux for more information on this exciting (and very popular!) new offering & see why we believe it will change the life insurance industry.

Our change over to electronic communication is taking longer than we had hoped, in part due to us making sure we have the best systems in place to manage your information. If you are receiving this letter in carbon form (ie paper!) and would like to receive it as an email, please email [Melissa@dp.net.au](mailto:Melissa@dp.net.au) and she will update your details. Our goal is to have 80% of our client emails by year end so any help you can give us would be appreciated. Speaking of Melissa, we are very excited with her news that she and her husband Paul are expecting their first child in late September. Congratulations Mel from all the Dornbusch team!

In closing, thank you for choosing us as your financial advisor. We recently celebrated our 10 year anniversary as Dornbusch Partners. Taking into account our time as Nevitts & Macquarie Bank, the business is now 27 years old. I am not only grateful for your ongoing support but for that our staff – thank you one and all. Wishing you a Happy & Safe Easter break and I look forward to presenting our next quarterly newsletter soon.

Yours faithfully

**Andrew Wielandt**  
Managing Partner  
Dornbusch Partners

